We can find such terms like „groups of elites“ or „ruling capital fractions“ in some posts on this blog. And reviewing the blogs for/of the previous EUexperts' discussions, two remarks seem to be helpful: 1. the time, when the concept of oligarchy was also used in describing Wall Street’s ‘finance oligarchs’ by meanstream media, is rather over. 2. we have to analyse who and what are behind the ruling, the most powerful „groups of elites“ or „ruling capital fractions“. So I would like to come back to the problematic of capital oligarchies as an actually existing relationship between the current capitalist forms of impersonal rule, huge wealth, and the power of a small group of actors that decides key social developments.

The economic basis for these capital oligarchies originated in the 1870s. At that very time, Marx analysed the rise of joint-stock companies:

„An enormous expansion of the scale of production and of enterprises, that was impossible for individual capitals. At the same time, enterprises that were formerly government enterprises, become public“ (*Capital* III, chapter XXVII, iii,1).

The dynamic co-operation of dividend receivers of the new and massive corporations has led to „*de facto* common forms of capital and to the emergence of the function of a ‘mere manager, administrator of other people’s capital’“ (*Capital* III, chapter XXVII, iii,3). It has even transformed the typically organising actors into salaried managers.

Maximising the profits of capital accumulation, destructive exploitation of the environment, colonialism, militarisation, and war have been widely discussed before World War One, in particular by Luxemburg, Lenin and Hilferding. Their point of departure was Marx’s analysis of the joint stock companies:

„I call bank capital … which is actually transformed in this way into industrial capital, finance capital … An ever-increasing proportion of the capital used in indus- try is finance capital, capital at the disposition of the banks which is used by the industrialists“ (Hilferding 1947: 305–306).

By critically taking a lead from Marx and Hilferding, we can understand finance capital as a specific interdependent relationship between capital owners, who activate interest bearing capital, and those capital owners who organise social surplus labour within the social production of goods and services. The latter task has in the meantime gained such massive importance that it can only be accomplished in a kind of dynamic co-operation. The necessary minimum of capital can be raised and exploited only by these two groups working together. This need for co-operation brings about a new division of functions in capital accumulation as a social process in which the capital owners – as co-operation partners without being equals – are able to appropriate the results of the labour of third parties, by exercising power over them. These third parties also work within the financial sphere but predominantly in the sphere of the social production of goods, which ultimately produces energy related and material use value. The partners of the owners of capital appropriate profit (without remuneration) from the work of others in societal production and finance. They may delegate their organisational functions to managers thereby turning them into their associ- ates. Because the corporations they own are so complex and all-encompassing they depend on cooperation with state institutions or the 'state'. Often it is also supra-nation-state institutions such as the EU and its agencies that act as the partners of modern finance capital.

We therefore speak of capital oligarchies, when social groups develop with finance capital at their core, but they are also composed by officials from politics, the administration, the military, culture and academia, the media, the legal pro- fessions, counselling, accounting and civil society, which are of central importance to the functioning of finance capital. Today, capital oligarchies define the path of development in society and the very kind of development that society embarks on. Capital oligarchies dictate the conditions, under which people live and work, they permanently demand a tribute from society, incessantly re-distribute resources, property, wealth and income and they destroy nature. The partners are internally differentiated and they are linked to their respective nation-state, EU member state and to the EU, in different, if not contrasting ways. This definition differs from that by Jeffry Winters who explained "enormous wealth" as at the "heart of oligarchy" and described "oligarchs" as people "who command massive concentrations of material resources (that is, wealth) that can be deployed to defend or enhance their own property and interests, even if they don't own those resources personally." (Winters 2012: 7) He continued: "Oligarchy is the politics of the defence of this wealth propagated by the richest members of society."(Ibld: 8). The difference is the connection between finance capital and capitalist oligarchies in our conception.

The available attempts at analysing this complex pattern show that in particular since World War Two, the changes in, and transformations of, US capital oligarchies have not only affected developments in the USA, but have strongly influenced global developments – and still do. Therefore, the development of capital oligarchies within the European Union is closely connected to the corresponding US developments. Their structures of correspondence are determined by the accumulation of finance capital, and their differences can be explained by the different conditions and different societies in which they exist.

The development of the US capital oligarchies is closely connected to the development of the following interlinked complexes:

- the military industrial complex;
- the energy sector;
- the transportation industry;
- the globally oriented agro-business industry. Materially, these closely interlinked sectors together decisively shape production and consumption patterns, as they exist within contemporary societies.

This group of four, taken together, is the largest consumer of the earth's surface and resources, the largest generator of air, water, and soil pollution, of pressure on the ecosystems. This quartet determines the kind of production and the way of life – that is, ways of life, nutrition, mobility, work, leisure time and 'co-habitation' – and thereby creates the basis of a socially and ecologically disastrous social consensus. The quartet's destructive dynamics are driven and exponentially increased by a continuously immense flow of money, finance, and bonds. State budgets, state contracts, the financial industry, and 'financial innovations' are closely intertwined with this quartet. Their own development is linked to that of the high tech sector. Microelectronics, modern information and communication technologies, biotechnologies, and nanotechnologies are only a few of the key words in the ongoing turnover of technologies, infrastructures and the related processes of development, which are mainly based on the reproduction demands of this quartet and which seem to function as drivers for the quartet in its penetration of increasingly new areas of society.

The transformation of US capital oligarchies and the associated social transformations began in the US in the 1960 and 1970s. This transformation has been closely linked to financialisation: The production of goods and the generation of surplus, the movement of capital and its realisation, as well as the life of people, are increasingly influenced, mediated and determined by financial market transactions, and thus by protagonists who are part of the capital oligarchies. Individual and social life is increasingly permeated by financial operations and financial market actors. Financialisation mobilises accumulation sources, the use of which drives socialisation forward. However, it results in further isolation of individuals. They invest financial means, titles of ownership and payment bonds in order to secure their day to day existence, while building up savings to privately ensure their healthcare and retirement. Their isolation is accompanied both by new freedoms and enormous dependencies. The capital oligarchies who control the everyday life of large parts of the population simultaneously organise a social consensus in their favour. Together with their partners in the state, in the supra-state, and in political life, they constitute a system that accelerates the accumulation of finance capital via deregulation, privatisation, state debt management and fiscal policy, borrowing, as well as free trade-, foreign- and 'security' Financialisation is thus a specific form of the socialisation of labour, of social production, and of the reproduction of societies. Together with the division of labour, the incomes and property of increasing members of society are involved in the accumulation process of spe- cific forms of financial capital. This involves the development of relatively independent financial markets.

Their development, these developments are closely connected with consequences after the US's loss of the Vietnam War. Facing deep crises and a new global power structure, contradiction-ridden gies, initially invented for military purposes, processes of co-operation among the '4 plus 2' ruling elites have triggered three major innovations: Microelectronic technolohave found broader entry into social practices; these innovations particularly have changed the technical foundations of the financial world. The 1974 Employee Retirement Income Security Act allowed pension funds and insurance corporations to invest in the stock market. Since the mid-1970s, stockbrokers have been legally mandated to orient their useable capital according to the rating agencies' assessments of what is 'investment grade' or 'non-investment grade'. Since then, the experts of the 'Big Three' rating agencies - Standard & Poor, Moody's and Fitch - have become consultants and partners of governments and members of parliament, and of state, public, and private institutions. More and more banks left the Federal Security System.

In this way, new possibilities for capital accumulation were able to emerge and expand. Increasingly, anonymous capital oligarchies have mobilised against the legal regulations of economic activities within sectors or rather within confined markets. Their successes in imposing deregulation and the subsequent drastic increases in direct investment possibilities abroad have resulted in expanding the role power of transnational corporations, in particular of those among the '4+2'. Therefore, at the end of the 1970s, emerging transnational corporations (TNCs) have expanded and become the major recipients of traditional credits from banks and various other actors in the financial sector. However, the credit-providing banks have also developed. With expanding investment banking, stepped-up 'securitisation' and the growth of shadow banking, banks have transformed themselves; new actors such as special-purpose entities have emerged and developed in the financial sector. Society itself has begun to be transformed.

Alongside these developments, there has been a massive process of concentration in the banking and financial sector. The twenty biggest funds now own on average 40 % of the capital shares in the biggest one thousand US corporations (Windolf 2008: 518). The changes in the symbiosis of capital oligarchies and their increase in power are manifest in the Financial Services Modernization Act (Gramm-Leach Bliley Act), which the US Congress passed in 1999. (This act has replaced the already increasingly weakened 1933 Glass Steagall Act, which was a pillar of the New Deal and provided for transparency in the financial markets.) With regard to the European level, the story of the euro crisis is inseparably linked to the story of the Big Three. 'Their owners are … are simultaneously share- holders of all investment banks and of all US corporations named on the index of the 500 most important corporations …' (Rügemer 2012: 61).

In order to make use of increasing financialisation and to secure their position, the economically leading actors, and predominately those within the financial sector, enter into new co-operations. Swiss scholars (Vitalie, Glattfelder, Battiston 2011) have demonstrated that a highly networked core group of 147 companies controls almost 40 % of worldwide market operations. Among the 'top 50 control holders 22 are from the US, eight from the UK and 17 from the EU, out of which four are from France, and two respectively from the Netherlands and from Germany. The top 50 are almost exclusively financial institutions that accept the role of the Big Three and which presumably benefit from this. The capital oligarchies have changed contemporary society on a worldwide scale, by transforming others and by being transformed themselves. They have changed the everyday life of populations, including those of the European Union. They have been able to organise the respective social consensus for their initiatives, even in the midst of the current global financial and economic crisis. In this regard, Leif Johannsson, chair of the European Round Table of Industrialists and of Ericsson, has concluded: 'The economic crisis may have given us the chance to change things in the right direction. There is no time to waste. I am optimistic about Europe's future but we must urgently carry out the necessary reforms to improve the investment climate' (ERT 18.3.2013).

'To improve the investment climate' means in real terms to implement the interests of the TNCs headquartered in the European Union. Their interests are:

- security of energy and resource supply, security of their capital accumulation process, protection of property, internal or domestic security, international or global security;
- availability of a qualified, mobile, highly motivated, and yet cheap labour force according to contemporary industrial demand;
- constant demand for products and services ensuring calculated profits;
- availability of necessary finance and financial services;
- sufficient space for, and profitability of, investment. The Member States in which TNCs are based and the EU institutions are being asked to serve these interests specifically. And they have made use of the current crisis by:
- working on the realisation of the EU2020 goals, especially in the areas of industrial policy and infrastructure development;
- reducing the cost of the labour force;
- reducing democratic and social standards, while reinforcing repression;
- improving the financial architecture;
- stabilising the euro monetary system;
- accelerating the negotiation and realisation of free trade projects;
- reinforcing privatisation processes in various direc- tions;
- marginalising ecological concerns and reinforcing a new extractivism.

The way the EU Member States have so far proceeded, along with the foreseeable combination of the dominant approaches to crisis management, show the direction in which industrial and infrastructure policy will be/is being realised. These are oriented towards the aims of global competiveness and of ‘security’ (including its military dimension), surveillance, and repression. Stabilising the EMU and improving the financial architecture are not bad in themselves. They are, of course, necessary tasks to be addressed. But the actual ‘package’ proposed will mean increasing social, ecological, and global problems – it will strengthen the destructiveness of the ‘4+2’ actors, and it will further reinforce financialisation.

The problem is that although some necessary steps towards a truly functioning EMU have been taken, these have involved a compromise with the main actors who have effectively caused the current financial crisis. Thus some of the main causes of the crisis have not been addressed or not been addressed in such a way as to find sustainable solutions. The main causes of the crisis are a number of factors resulting in an overaccumulation of capital:

- the deregulation and liberalisation of financial markets;

– the aggravation of discrepancies in the distribution of income and wealth and hence of liquid funds on a grand scale;
– imbalances in the balance of trade and in the balance of payments;
– extensive privatisation – especially of social security systems (Huffschmid 2009: 10–21).

These causes of the crisis constellation are at the same time strong drivers of financialisation as a special mode to mobelise sources of accumulation of capital.

But analysing the ongoing social and political struggles directly or indirectly related to the sources of accumulation, three different scenarios seem plausible:

(1) being even more determined by the interests of capital oligarchies and thus oriented towards financialisation/liberalisation/privatisation/militarisation;

(2) continuing on the way things are, but with a stronger focus on the interests of the EU's own capital oligarchies;

(3) rolling back the power of capital oligarchies, breaking their dominance, and initiating a problem-solving social-ecological transformation.

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